

abnormal export of capital in that year was arranged without any really serious effect on the banks, and there were no important failures. Since 1935 there has been a steady improvement.

TABLE 56. *Movement of Deposits and Current Accounts with Commercial and Savings Banks*

(In millions of national currency)

At end of	I. Commercial Banks (deposits and current accounts)			II. Savings Banks (deposits only)		
	Estonia* (all commercial and principal co-operative banks)	Latvia (joint stock banks and mutual and municipal credit assoc.)	Lithuania (commercial banks and mutual credit assoc.)	Estonia (State savings bank)	Latvia (postal savings bank)	Lithuania* (State savings institution)
1929	65	92	96	3	4	2
1930	73	99	139	4	7	11
1931	60	49	140	5	8	25
1932	51	49	143	5	13	34
1933	51	51	149	6	20	39
1934	65	63	157	8	34	43
1935	74	74	155	10	49	43
1936	93	117	170	10	61	53
1937	108	173	204	10	79	60

* January 1 of following year.

IV. CONCLUSION

It has been seen that in Estonia and, superficially at any rate, in Latvia, currency manipulation has been followed by a considerable degree of recovery, while in Lithuania the position has substantially improved in the face of that country's refusal to follow their example. In spite of the fall of prices during the first half of 1938, all these countries were still enjoying a measure of prosperity greater than at any time since 1931. This recovery has been based, broadly speaking, on the gradual expansion of exports to the United Kingdom, the higher level of world prices as compared with that of the crisis years, and, so far as the internal position is concerned, on the policy of self-sufficiency dictated by the lack of foreign exchange in the years of the depression. It remains to examine how far these elements can be considered to be of a permanent nature.

It will first be seen that the case of Lithuania differs somewhat from that of the other two countries. In Lithuania the productive system has remained essentially very much what it was before the crisis of 1931. Provided, therefore, that there is no fundamental change in her economic policy, it is reasonable to suppose that Lithuania will continue to exchange agricultural produce for manufactured articles, and that the index of her prosperity will continue